



CRIME PREVENTION POLICY

January 2024

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CRIME PREVENTION POLICY

1. OBJECTIVE & SCOPE

This Crime Prevention Policy (“Policy”) aims to convey an unambiguous message of opposition to the commission of any crimes and misconducts and the desire of the Company to combat them.

This Policy demonstrates the Company’s commitment to prevent, deter, detect, and investigate the commission of crimes and misconducts and to develop a corporate culture of ethics and honesty. It applies to all companies doing business as Arauco North America (“Arauco”), including Arauco’s Directors of the Board, Officers and all Arauco employees (“Team Members”)

2. PROHIBITED CRIMES OR MISCONDUCTS, AND ITS DEFINITIONS

- a) **Briberyⁱ**: Under this Policy, “bribe” means, directly or indirectly, offering, giving, or receiving money, gifts, or anything of value to influence someone to do something improper, or illegal, in violation of their duty, or secure an improper advantage. Bribery also consists of improper payments, kickbacks, excessive gifts, entertainment, and anything of value improperly offered, given, or received. Anything of value involves any form of benefit not limited to cash, gifts, entertainment, donations, services, or discounts.
- b) **Bribery to a public officialⁱⁱ**: Giving, promising, offering, or authorizing payment or providing anything value to any government official, both U.S. and non-U.S. officials. Bribery of public officials is codified in multiple laws and regulations, including but not limited to the Foreign Corrupt Practices Act (FCPA) and the Canadian Corruption of Foreign Public Officials Act (CFPOA). The USA and the Canadian governments will held responsible the company and/or the individual for violations under the Act.
- c) **Receipt of illegally obtained goods, Asset laundering**: The action of purchase, conceal, transform, or transport goods knowing that the origin of those goods is from the commission of illicit activities.
- d) **Corruptionⁱⁱⁱ**: The abuse of power or position for personal gain, often involving dishonest or illegal activities. It can manifest in various forms of unethical, fraudulent or even criminal conducts by individuals or organizations in public or private sectors. As such, request or accept to receive from a public or private company any economic benefit or any other type of benefit, for itself or a third party, with the purpose of favoring or having favored the hiring/maintenance of this public or private company over another, in order to obtain a benefit.
- e) **Money Laundering^{iv}**: Money laundering is the process by which criminals attempt to conceal the illicit origin and ownership of the proceeds of their unlawful activities. Employing money laundering, criminals attempt to transform the proceeds from their crimes into funds of an apparent legal origin.

The Money Laundering Control Act 1986 is a United States act that was designed to achieve the four objectives:

- 1) To establish money laundering as a prosecutable federal offense
- 2) To mandate civil and criminal penalties for violating the Bank Secrecy Act of 1970

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- 3) To prohibit the ability of consumers who structure transactions that are met to evade currency transaction report filings
- 4) To require banks and financial institutions to develop and maintain Bank Secrecy Act procedures, recordings, and compliance policies.
- f) **Financing Terrorism^v**: Activities that provide funding or financial support to individual terrorists or terrorist groups. The U.S. Code of Federal Regulations defines terrorism as “the unlawful use of force and violence against persons or property to intimidate or coerce a government, the civilian population, or any segment thereof, in furtherance of political or social objectives”.
- g) **Fraud^{vi}**: The deliberate deception to secure unfair or unlawful gain or to deprive a victim of a legal right. Fraud itself can be civil or criminal, or it may cause no loss of money, property, or legal right but still be an element of another civil or criminal wrong. The purpose of fraud may be monetary gain or other benefits.
- h) **Conflict of interest**: Any situation in which the Personal Interest of a Director of the Board or employee of Arauco may be set against or in conflict with the interest of Arauco, and where their independence or impartiality in decision-making may be affected or compromised.

3. GENERAL

The Policy is to be strictly applied in all cases throughout the entire organization. All Team Members of Arauco must comply with the laws, regulations and Company policies enforced in the countries in which we operate. It is expressly prohibited to commit any of the crimes and misconducts described under Section 2 of this Policy. Arauco and all its Team Members shall ensure the proper execution of the Policy to promote the prevention of the forementioned crimes and misconducts.

4. COURSE OF ACTION IN THE EVENT OF A CRIME OR MISCONDUCT

All Team Members who know, should have known, or suspect the perpetration of a crime or misconduct and/or someone else has requested for them to commit a crime or misconduct, shall communicate with the Compliance Officer and Arauco Legal Department at: araucona.legal@arauco.com. Additional information on assigned responsibilities per this policy can be found in Exhibit A.

5. INTERPRETATION OF THIS POLICY

For clarification on the existence or interpretation of a crime or misconduct or the scope of this policy, the Compliance Officer must be consulted. Regular training and other measures will ensure that Team Members are at all times able to identify the risks of crimes and misconducts and understand and implement prevailing regulations, due diligence obligations, and the prevention of crimes.

6. SANCTIONS FOR NON-COMPLIANCE

Arauco employees who don't faithfully comply with the provisions of this policy may be subject to disciplinary measures in accordance with the Offer Letter, Company Policies, and the corresponding Regulation, including but not limited to termination.

7. DISSEMINATION AND REVIEW

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This Policy will be made known to Arauco employees through publication on the Company's public website at <https://na.arauco.com/>. The Policy shall be reviewed by the Compliance Officer of Arauco annually or when relevant changes in business conditions occur.

8. VALIDITY

The President of Arauco North America has approved this policy and will be effective as of January 12th, 2024.

DocuSigned by:

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EXHIBIT A RESPONSIBILITIES AND ADDITIONAL CONSIDERATIONS

1. Responsibilities:
 - a) Board of Directors of Arauco
 - (i) Endorse the designation of the Compliance Officer of Arauco.
 - (ii) Provide the necessary, reasonable means.
 - (iii) Provide resources for the Compliance Officer of Arauco to fulfill the roles and responsibilities contemplated by this Policy.
 - (iv) Evaluate annually the administration and effective operation of the Policy.
 - (v) Upon detection of any criminal act contemplated by this Policy, the Board shall determine and take measures as it deems necessary and appropriate to ensure the implementation of effective measures to prevent a recurrence of the same or similar act.
 - (vi) Approve this Policy and its amendments.
 - b) Compliance Officer of Arauco
 - (i) Review and monitor the proper implementation and operation of the Policy.
 - (ii) The CO of Arauco shall report directly to the CCO of Celulosa Arauco y Constitución S.A. (hereinafter referred to as "CASA") and, every six months, deliver to the CCO of CASA a report on the status of activities related to the implementation and application of the Policy during the respective period. The CO of Arauco shall report annually to the Board of Arauco North America and deliver an annual report on the status of activities and initiatives of the Compliance Program.
 - (iii) Perform, request, and review information for the execution of the duties assigned by the CCO of CASA.
 - (iv) Establish and comply with this Policy and suggest to the CCO of CASA and/or the Board to develop and implement any other policies and/or procedures that it deems necessary to supplement and provide support and effectiveness to the existing Policy.
 - (v) Ensure the updating of this Policy, in accordance with the regulatory and business environment changes of the entity.
 - (vi) Identify and analyze the risks described in this Policy. The process will be conducted at least annually or when relevant changes occur in applicable laws or in business conditions. This activity is reflected and documented in the Crime Prevention Matrix of Arauco.
 - (vii) Supervise that the internal processes and activities of the Company have effective controls to prevent and mitigate the risk of crime and keep a record of compliance and enforcement of these controls, as well as the control owners.
 - (viii) Supervise the training of Team Members in Arauco on this Policy and the applicable laws.
 - (ix) Document, monitor, and safeguard evidence regarding the crime prevention activities.
 - (x) Ensure the communication of the Policy to Team Members and service providers. For this task, the CO of Arauco shall receive support from the Vice President of Human Resources of Arauco North America. This communication should cover the entire organization at least annually.

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- (xi) Receive and participate in investigating complaints related to this Policy from the reporting hotline.
- (xii) If the CO of Arauco becomes aware of any situation that could be characterized as a crime, the CCO of CASA and the Board must immediately notify to take appropriate measures.
- (xiii) In the event of the detection of an act that may be considered a crime included in this Policy, the CO of Arauco must present to the Board of Arauco and the CCO of CASA so that the latter may determine whether to include legal authorities.
- (xiv) Using credible investigation reports, the CO of Arauco shall recommend applying disciplinary measures to the CCO of CASA. Also, the CCO of CASA and/or the Board shall suggest to the CCO of Arauco North America the measures deemed necessary or appropriate to prevent such situations.

c) Executive Team

- (i) Support the CO of Arauco, ensuring unrestricted access to information and people, as well as coordinating the activities related to the Policy.
- (ii) Report to the CO of Arauco any observed situation related to non-compliance with this Policy and procedures related to it.
- (iii) Ensure compliance with the controls established in the Crimes Risk Matrix.
- (iv) Report emerging risks related to the crimes included in this Policy to the Chief Compliance Officer of CASA.

d) Internal Audit

The controls and procedures related to this Policy will be audited by the internal audit area of Arauco North America, which will have the following duties:

- (i) Evaluate compliance with the controls related to this Policy.
- (ii) Deliver all information required by the CO of Arauco North America at the conclusion of the audit.
- (iii) Report emerging risks related to the crimes included in this Policy to the CO of Arauco North America.

e) All Team Members

- (i) Comply with the Policy as applicable to them.
- (ii) Every Team Member of the Company shall be obligated to immediately report that they have become aware of an act that constitutes or may constitute, one of the crimes mentioned above and/or the emergence of new risks related to the crimes included in this Policy.
- (iii) Team Members and/or third parties can anonymously report (if they choose to do so) crime related activities or apparent violations of codes, regulations, policies, procedures, and other internal and external norms directly at <https://na.arauco.com/> in the Corporate Compliance section.

2. Additional Considerations

Arauco has a Crime Prevention Matrix, which can be defined as the matrix that documents the crimes and misconducts mentioned under this Policy, its risks, and risks descriptions, the controls to mitigate such risks, and the control owners.

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ⁱ Under the Foreign Corrupt Practices Act (FCPA), it is unlawful for a U.S. person or company to offer, pay, or promise to pay money or anything of value to any foreign official for the purpose of obtaining or retaining business.

A U.S. person or company may also be any officer, director, employee, or agent of a company or any stockholder acting on behalf of the company. And a foreign official may be a foreign political party or candidate for foreign political office.

Also covered by the FCPA is the authorization of any money, offer, gift, or promise authorizing the giving of anything of value to any person while knowing that all or a portion of it will be offered, given, or promised directly or indirectly to any foreign official for the purposes of assisting the U.S. person or company in obtaining or retaining business.

“Knowing” includes the concepts of conscious disregard and willful blindness.

The FCPA also covers foreign persons or companies that commit acts in furtherance of such bribery in the territory of the United States, as well as U.S. or foreign public companies listed on stock exchanges in the United States or which are required to file periodic reports with the U.S. Securities and Exchange Commission.

The FCPA accounting provisions require such publicly listed companies to make and keep accurate books and records and to devise and maintain an adequate system of internal accounting controls. The accounting provisions also prohibit individuals and businesses from knowingly falsifying books and records or knowingly circumventing or failing to implement a system of internal controls. U.S. persons or companies, or covered foreign persons or companies, should consult an attorney or use the Department of Justice Opinion Procedure when confronted with FCPA issues.

ⁱⁱ **Canada:** The Corruption of Foreign Public Officials Act (CFPOA) is the Canadian legislation implementing its obligations under the UN Convention against Corruption.

The CFPOA makes it a criminal offense for persons or companies to bribe foreign public officials to obtain or retain a business advantage.

Under the CFPOA Bribing a foreign public official “Every person commits an offence who, in order to obtain or retain an advantage in the course of business, directly or indirectly gives, offers or agrees to give or offer a loan, reward, advantage or benefit of any kind to a foreign public official or to any person for the benefit of a foreign public official.

(a) as consideration for an act or omission by the official in connection with the performance of the official’s duties or functions; or

(b) to induce the official to use his or her position to influence any acts or decisions of the foreign state or public international organization for which the official performs duties or functions.

The CFPOA applies to bribery of foreign public officials when the offense is committed in whole or in part within Canada. Its provisions also apply to offenses committed outside Canada by a Canadian citizen, permanent resident, or an entity organized under Canadian law.

United States: The anti-bribery provisions of the FCPA generally prohibit any offer, payment, promise, or authorization to pay money or anything of value to any foreign official, foreign political party, or candidate for public office, intended to influence any act or decision in order to assist in obtaining or retaining business.

The term “foreign official” is defined broadly and can include any officer or employee of a foreign government or any department, agency, or instrumentality thereof, or of a public international organization, or anyone acting on behalf of such government or department. For example, foreign officials would include foreign military officers in

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charge of procurement contracts, ministry-level officials, and officers and employees of government-owned or government-controlled entities.

iii The Foreign Corrupt Practices Act (FCPA), enacted in 1977, generally prohibits the payment of bribes to foreign officials to assist in obtaining or retaining business. The FCPA can apply to prohibited conduct anywhere in the world and extends to publicly traded companies and their officers, directors, employees, stockholders, and agents. Agents can include third party agents, consultants, distributors, joint-venture partners, and others.

iv In the United States Sanctions are penalties or other means of enforcement used to provide incentives for obedience with the law, or with rules and regulations. The Office of Foreign Assets Control (OFAC) of the US Department of the Treasury administers and enforces economic and trade sanctions based on US foreign policy and national security goals against targeted foreign countries and regimes, terrorists, international narcotics traffickers, those engaged in activities related to the proliferation of weapons of mass destruction, and other threats to the national security, foreign policy or economy of the United States.

In Canada, the objective of the Proceeds of Crime (Money Laundering) and Terrorist Financing Act is:

(a) To implement specific measures to detect and deter money laundering and the financing of terrorist activities and to facilitate the investigation and prosecution of money laundering offenses and terrorist activity financing offenses

(b) To respond to the threat posed by organized crime by providing law enforcement officials with the information they need to deprive criminals of the proceeds of their criminal activities, while ensuring that appropriate safeguards are put in place to protect the privacy of persons with respect to personal information about themselves

(c) To assist in fulfilling Canada's international commitments to participate in the fight against transnational crime, particularly money laundering, and the fight against terrorist activity; and (d) To enhance Canada's capacity to take targeted measures to protect its financial system and to facilitate Canada's efforts to mitigate the risk that its financial system could be used as a vehicle for money laundering and the financing of terrorist activities.

v The Bureau of Counterterrorism's mission is to promote U.S. national security by taking a leading role in developing coordinated strategies and approaches to defeat terrorism abroad and securing the counterterrorism cooperation of international partners.

The Treasury Department performs a critical and far-reaching role in enhancing national security by implementing economic sanctions against foreign threats to the U.S., identifying and targeting the financial support networks of national security threats, and improving the safeguards of our financial systems.

vi Regulations regarding fraud are defined in US Code Title 18, Chapter 47.

The Fourth Circuit, reviewing a conviction under 18 U.S.C. § 2314, also noted that "fraud is a broad term, which includes false representations, dishonesty and deceit." See *United States v. Grainger*, 701 F.2d 308, 311 (4th Cir. 1983), cert. denied, 461 U.S. 947 (1983).

Canada Section 380(1) of the Criminal Code provides the general definition for fraud in Canada. Under this section, everyone who, by deceit, falsehood or other fraudulent means, whether or not it is a false pretense, defrauds the public or any person of any property, money or valuable security or any service,

(a) is guilty of an indictable offense and liable to a term of imprisonment not exceeding fourteen years, where the subject-matter of the offense is a testamentary instrument or the value of the subject-matter of the offense exceeds five thousand dollars; or

(b) is guilty:

(i) of an indictable offense and is liable to imprisonment for a term not exceeding two years, or

(ii) of an offense punishable on summary conviction, where the value of the subject-matter of the offense does not exceed five thousand dollars.